

Joint Leadership Council of Veterans Service Organizations
Meeting Minutes
July 11, 2012

A meeting of the Joint Leadership Council of Veterans Service Organizations (the JLC) was held on July 11, 2012, at the American Legion Building, 1708 Commonwealth Avenue, Richmond.

Members Present

- Jeffrey Platte, Air Force Association
- George Coker, American Ex-POWs
- Brett Reistad, American Legion
- Don Kaiserman, Association of the United States Army
- David Martinez, Disabled American Veterans
- Abe Zino, Fleet Reserve Association
- James Jones, Korean War Veterans Association
- Bruce Steeley, Marine Corps League
- Raymond Edwards, Military Officers Association of America
- Robert Fairchild, Military Order of the Purple Heart
- William Townsley, Military Order of the World Wars
- Thomas Moran, National Association for Uniformed Services
- Frank Driscoll, Navy Seabee Veterans of America
- David Coffield, Paralyzed Veterans of America
- Carmen Gentile, Reserve Officers Association
- Nolan Jackson, Roanoke Valley Veterans Council
- Daniel Boyer, Veterans of Foreign Wars
- George Corbett, Vietnam Veterans of America
- Jenny Holbert, Women Marines Association
- Thad Jones, Chairman, Board of Veterans Services
- Paul Galanti, Commissioner of Veterans Services
- Al Pianalto, representing the Veterans Services Foundation

Members Absent

- Bruce Brown, AMVETS
- Roger Dimsdale, Legion of Valor
- Matthew Dailey, Non Commissioned Officers Association
- Michael Coleman, Virginia National Guard Association

Alternates Present (representing their VSO)

- Richard Rinaldo, Legion of Valor

Alternates Present (not representing their VSO)

- Dan Miller, Disabled American Veterans
- John Prendergast, Marine Corps League Alternate
- Stu Williams, Military Officers Association of America Alternate
- Thomas Gimble, Military Order of the Purple Heart Alternate
- Tom Stephen, Reserve Officers Association Alternate
- Marie Juliano, Women Marines Association Alternate

Commonwealth of Virginia Officials Present

- Cindy Norwood, Office of the Attorney General
- Robert Conti, Office of the Attorney General
- Nikki Sheridan, State Board of Elections
- Martha Brissette, State Board of Elections
- Carol Rauschberg, Department of Human Resource Management
- Anne Atkins, Department of Veterans Services
- Steven Combs, Department of Veterans Services
- Jon Hatfield, Department of Veterans Services
- Jack Hilgers, Department of Veterans Services
- Bill Janis, Department of Veterans Services
- Judy Reid, Department of Veterans Services
- Danielle Weaver, Department of Veterans Services
- Cathy Wilson, Department of Veterans Services

Others Present

- David Bailey, David Bailey Associates
- John Cogbill, Virginia War Memorial Education Foundation
- Harry Warner, Virginia War Memorial Education Foundation
- Joe Barto, TMG, Inc.
- Tom Barto, TMG, Inc.
- Mickey Steppe, TMG, Inc.
- Kelly Niernberger, Reserve Officers Association
- Jim Clem, Roanoke Valley Veterans Council
- Nancy Visser, Women Marines Association Alternate
- Major Timothy Crider, Virginia National Guard

Agenda Packet

Agenda (Agenda Item II)

Presentations (Agenda IV)

- Virginia Values Veterans (V3) briefing paper

Reports (Agenda Item V)

- Board of Veterans Services Report
- Veterans Services Foundation Report
 - FY 12 Receipts and Expenditures
 - FY 12 VWWP Fundraising

- Department of Veterans Services Report
 - Cemetery Monument Flyer

New Business (Agenda Item VI)

- Proposed 2012-2013 JLC Initiatives (Word/PDF documents)
 - American Legion 2013-01: VMSDEP
 - Fleet Reserve Association 2013-01: Military Retirement Tax Plan
 - Summary of MOAA proposals
 - MOAA 2013-01: Northern Virginia Veterans Care Center
 - MOAA 2013-02: JROTC to fulfill Physical Education Requirement
 - MOAA 2013-03: Electronic Return of Absentee Ballots
 - MOAA 2013-04: Business Incentives for Hiring Veterans
 - VFW 2013-01: Sales and Use Tax Exemption
 - VFW 2013-02: In-state Tuition Eligibility
 - Copy of 2012 SB605
- Other New Business
 - New JLC Logo

Opening and Pledge of Allegiance

Chair Jenny Holbert called the meeting to order at 10:03 a.m. She welcomed everyone to the meeting. She then stated that because the terms of many members are expiring, the meeting will likely be the last meeting for some of the Council members and will likely be her last meeting.

Chair Holbert then lead the Council in the Pledge of Allegiance.

Roll Call of VSOs and Quorum Determination

The roll was called, and 20 of the 23 Veterans Service Organizations (VSOs) represented on the JLC were recorded as being represented and a quorum was determined. Thad Jones, the Chairman of the Board of Veterans Services, Mr. Al Pianalto, representing the Veterans Services Foundation, and Paul Galanti, the Commissioner of Veterans Services, were recorded as present.

Approval of the agenda

Chair Holbert asked for a **motion** to approve the agenda (*Attachment 1*) as presented. Mr. William Townsley made a **motion, seconded** by Mr. Brett Reistad. The agenda was approved **unanimously**.

Introductions of Guests

Chair Holbert asked that guests and staff introduce themselves. Their names and organizations are recorded above. Chair Holbert welcomed them to the meeting.

Approve May 23, 2012 Meeting Minutes

Chair Holbert stated that the minutes from the May 23, 2012 meetings had been distributed electronically.

Chair Holbert asked for a **motion** to approve the May 23, 2012 minutes. Mr. David Coffield made a **motion, seconded** by Mr. James Jones. The May 23, 2012 minutes were approved by **unanimous consent**.

Presentations

2012-2013 Directory of Virginia Legislators and Governor who served in the military

Chair Holbert introduced Mr. David Bailey, Director of David Bailey Associates, who addressed the Council on the planned directory of Virginia State elected officials who are veterans. Mr. Bailey distributed copies of the Virginia Capitol Connections 2012 directory, two copies of the last two editions of the *Virginia Capital Connections* magazine, and a flyer regarding the upcoming publication. He stated that he expects to find underwriters through including advertisements in the veterans directory, but noted that there may be a small charge for the directories to offset publication costs. He asked the members to please let him know if any organization wishes to take out an advertisement and how many copies their organization would like so that he will know how many to publish. He thanked the JLC for their time and assistance.

Virginia War Memorial Education Foundation

Chair Holbert introduced Mr. John Cogbill, Chairman of the Virginia War Memorial Education Foundation (VWMEF) Board. Mr. Cogbill thanked the members for allowing him to address the Council. He explained that he is the new VWMEF Chairman, replacing Mr. John Hekman. Mr. Cogbill thanked the JLC for their continued support for the Paul & Phyllis Galanti Education Center. He stated that JLC support allows the Virginia War Memorial to continue its mission of educating our fellow citizens and provides an opportunity for everyone to visit the Memorial. He asked the Council members to think of Memorial as their second home for meetings and a place to bring other people.

Virginia Values Veterans (V3) employment initiative

Deputy Commissioner Bill Janis addressed the Council and explained that he had the honor to attend a funeral in Lexington yesterday for First Lieutenant Stephen Chase Prasnicki, who was killed during combat operations in Afghanistan on June 27. He asked everyone present to observe a moment of silence in honor of First Lieutenant Prasnicki.

Deputy Commissioner Janis then introduced Mr. Joe Barto, President for TMG, Inc. Deputy Commissioner Janis stated that at the last JLC meeting he reviewed the Governor's and the Department of Veterans Services' veteran employment initiative. He noted that unemployment in Virginia is at 6%, but is at 12% for veterans, and for veterans age 30 and below it ranges from 29% to 38%. He said he was working with TMG to turn these numbers around by establishing a program called V3 (Virginia Values Veterans). (*Attachment 2*)

Mr. Barto thanked the Council for inviting him to the meeting. Mr. Barto stated that TMG believes that for the last four or five years misinformation has been the center of gravity on veteran unemployment issue. America has spent about \$5 billion on veterans for training, assistance, G.I. Bill, and other skills. After spending \$5 billion we have these results: 12 % unemployment for veterans, and for veterans who are essentially looking for their first job its somewhere between 30 – 40%. TMG met with DVS and decided that something new needs to

be done to change these numbers. He explained that the word “veteran” has a huge definition which covers all military services. Civilian employers have no idea how to connect with veterans and military organizations who are working to help veterans transition to civilian work. The veterans and military organizations also have no idea what civilian organizations are looking for in employees.

Mr. Barto then explained that V3 is focusing on improving companies through hiring veterans. TMG will teach companies that are interested in hiring veterans how to reach out to veterans, hire veterans, and retain veterans in their workforce. These companies fall into four categories. The first category is companies with fewer than 50 employees who have no Human Resources (HR) representatives and represent 45% overall of the hiring demand in Virginia. The second category is companies that have fewer than 300 employees that might hire 5 or 6 people at one time and not hire again for 3 or 4 months. The third category is companies under 1,000 that hire employees monthly. The fourth is large companies that do 100,000 jobs initiatives like Chase, Capital One, etc. TMG focus is on the smaller companies to teach them how to have access to veterans, hire them and retain them. TMG is sponsoring conferences to get this word out.

TMG is also developing a Vet Ready Assessment to identify veteran friendly companies. There are many companies that should not hire veterans. If they are not willing to pay a veteran \$25,000 and provide them with benefits they should not hire a veteran. An E-4 makes \$25,000 or more and 45 % of these have families to support. Veterans also are used to receiving good direction or instructions with their assigned task. The military has taken the time to teach these veterans what is expected of them during their time in the military. Many civilian companies do not take this time with new employees. Veterans want to be part of a team and want to know what happens with their career if they are the best employee for that company.

The V3 certification program is for companies who truly want to hire veterans and are willing to commit a certain percentage of their hiring force to hiring veterans and retaining veterans. If the company is willing to write a letter to Commissioner Galanti stating that they understand the value of hiring a veteran, then TMG will go out and train these companies. In 2014, the Department of Defense will pay \$1 billion in unemployment benefits to veterans. TMG plans to fix this one company, one job, one veteran at a time. TMG does need the JLC’s help to get the word out to veterans and to your organizations to come to a workshop. This will help make Virginia powerful with their workforce.

Deputy Commissioner Janis stated that if this was a government program and was in place when he came to work for DVS in January of this year it would have been a failure from day one. This is because the program has to be private sector driven. Only the private sector knows what they are looking for and what they need. V3 is a private sector driven program and therefore has a lot of promise.

Ms. Nancy Visser asked how veterans will be able to find the employer looking to hire veterans. Is there a website to go to? Deputy Commissioner Janis explained that a badge or logo will be awarded to these companies that have been certified through TMG. Veterans will be able to identify these companies from the badge certifying that they are veteran friendly.

Mr. Brett Reistad asked if this program extends to other states. Mr. Barto explained that they are in conversation with other states but Virginia is the leader with this program and they want to see it succeed in Virginia before extending out to other states.

Mr. Frank Driscoll stated that he is with the Navy Seabee Veterans of America (NSVA) and has been helping veterans find work. He said the Navy will de-commission six Seabee battalions in the next six months. Mr. Driscoll said he visited a Navy unit in Virginia Beach and spoke with a Command Master Chief about how younger servicemen are being forced out of the Navy and are seeking employment. He said that the NSVA decided that they will help these guys get a job and apply for their benefits. Mr. Driscoll got the Command Master Chief to give him a list of every Command Master Chief in America. NSVA will be sending out an e-mail to them to let them know what they can do to help these veterans. Seabees can fit into the civilian workforce a little easier because they have a hard skill. Deputy Commissioner Janis stated that this kind of help is exactly what they are looking for.

Chair Holbert asked if DVS and TMG are reaching out to organizations like the Chamber of Commerce. Deputy Commissioner Janis stated that they have already established partnerships with the U.S. Department of Labor, the U.S. Department of Veterans Affairs, and that there is a Hero to Hired group. Mr. Bill Townsely asked if they are reaching out to the veterans service organizations. Mr. Barto answered that this is where JLC assistance is important.

Chair Holbert thanked Deputy Commissioner Janis and Mr. Barto for their presentation.

Reports

Board of Veterans Services

Board of Veterans Services (BVS) Chairman Thad Jones delivered the BVS report (*Attachment 3*). He stated that the Board will give their full support to the JLC proposals.

Mr. Jones then thanked Chair Holbert for her services as Chair of the JLC.

Chair Holbert thanked Mr. Jones for his report.

Veterans Services Foundation

Mr. Combs announced that Mr. Al Pianalto has been appointed to the Veterans Services Foundation (VSF) by the Speaker of the House of Delegates.

Mr. Pianalto stated that he is honored to be part of VSF. He then delivered the VSF Board of Trustees report (*Attachment 4*). He noted that five new members have or will soon be appointed to the VSF, including Mr. Frank Driscoll and himself.

He stated that the VSF received over \$300,000 in donations for FY12, of which approximately \$189,000 is for the Virginia Wounded Warrior Program (VWWP), \$101,000 for Care Centers, and over \$8,000 for the Cemeteries. The next VSF meeting will be on Wednesday, 1 August at the Virginia War Memorial.

Mr. Jack Hilgers covered the VSF financial report (*Attachment 5*) and the VWWP fundraising report (*Attachment 6*) that were appended to the Foundation report. He also noted that the Foundation extended its sincere congratulations to all DVS activities for their outstanding outreach that made this significant fundraising possible. It could not have been accomplished without the dedication of all DVS personnel.

Chair Holbert thanked Mr. Pianalto and Mr. Hilgers for the VSF reports.

Department of Veterans Services

Commissioner Paul Galanti explained that he does not have a written report for the DVS, but that DVS staff put together a very good presentation that Mr. Steven Combs would deliver.

Mr. Combs provide an assessment of DVS FY 2012 activities that is contained in *Attachment 7*.

Mr. Combs followed with a quick second presentation on the Virginia Veterans Cemetery Donation Program. He noted that the presentation was designed from the start to be used by members of the Joint Leadership Council, Board of Veterans Services, and Veterans Services Foundation to help inform members of veterans service organizations and the public about donation opportunities at the cemeteries. He pointed out that the presentation includes speaking notes, and would be forward to the Council electronically. A copy of the flyer supporting the donation program was included in the agenda packet (*Attachment 8*).

Chair Holbert thanked Commissioner Galanti and Mr. Combs for their reports. She stated that there is a lot of energy in DVS and it is growing.

Virginia Military Advisory Council

Mr. Jeff Platte had no report.

Interstate Compact on Educational Opportunity for Military Children

Mr. Thomas Moran had no report. He stated that he found out that the JLC is not an official member of the Interstate Compact committee and that he believes there is no longer a need for a JLC representative to attend Compact meetings.

Mr. Townsley made a **motion** that the JLC no longer send a representative to Interstate Compact committee meetings. Mr. Dan Boyer **seconded** the motion, which was approved by **unanimous consent**.

Mr. David Martinez addressed the Council and asked if DVS will address verification of veteran's status for those who sign up for any veterans benefits through DVS. Deputy Commissioner Janis stated that DVS does verify veteran's status for all DVS programs and benefits.

Chair Holbert called for a lunch break at 11:31 am. Chair Holbert called the meeting back to order at 12:12 pm.

New Business

Review and select JLC 2012-2013 Initiatives

Chair Holbert discussed the JLC 2012 – 2013 initiatives, noting that point papers supporting the initiatives are included in the agenda packets (*Attachment 9*). She said that each position paper would be reviewed by the VSO sponsor, discussed, and voted on, after which the initiatives would be prioritized. She said she hoped that the new JLC leadership team would be able to meet with Governor McDonnell in August to present the prioritized JLC objectives to him.

Mr. Brett Reistad of the American Legion presented one position paper:

AL 2013-01: Virginia Military Survivors and Dependents Education Program – Mr. Reistad reviewed this position paper, which was based on the need to increase the amount of funding for a program that is already in existence. The objective is to increase the funding to allow for increases in costs over the past years so that the funding can meet the needs of Military families.

- Discussion – The current stipend is up to \$1,500 per year and has remained the same since the 2007-2008 academic year. The State Council of Higher Education for Virginia (SCHEV) reports that the cost of room, board, books, and supplies has risen 20% since 2007-2008.
- Proposal: that the per-student annual stipend be increased by 20% to \$1,800.

Mr. Townsley made a **motion** to accept the proposal as a JLC initiative. Mr. Moran **seconded** the motion.

The Council members discussed whether the increase should be 20% or 25% (or greater) and if the initiative should be reviewed annually by the Governor for appropriate action.

Chair Holbert stated that the recommendation would change to: 1) reflect a 25% increase to account for expected increases for the coming school year and 2) to request that the Governor review the stipend annually and act accordingly.

Chair Holbert asked for a vote to adopt the American Legion proposal as modified. The JLC voted **unanimously to adopt the proposal as modified**.

Mr. Zino of the Fleet Reserve Association presented one position paper:

FRA 2013-01: Military Retirement Tax Plan

- Discussion – This would be a tax break for Military retirees in Virginia. This would take place over the next five years to reduce and eliminate the tax. He used an E6 as an example for this plan. Six neighboring states are currently reducing or eliminating the state income tax.
- Proposal – a five year plan to eliminate the tax on military retirement pay.

Mr. Townsley made a **motion** to accept the Military Retirement Tax Plan, **seconded** by Mr. Coffield.

Mr. Pianalto stated that we need to consider how the widows would be treated with this proposal. Mr. Townsley disagreed that the widows should be considered in this proposal. Mr. Pianalto stated that when you present a proposal like this you need to include if the widow is also entitled to the benefit. The position paper would need to state if there are survivor benefits. Mr. Bruce Steeley stated that we also need to consider the VRS's stand on this. Mr. Steeley said he believed every state employee is going to be against this. Mr. Zino was asked if he know how many retirees there were in Virginia. Mr. Combs distributed and reviewed a handout that comparing Virginia to several other states. Mr. Boyer said that there many other reasons people choose to retire in Virginia other than a Military Retirement Tax exemption.

Chair Holbert asked for a vote to adopt the Military Retirement Tax Plan as submitted. **The JLC voted not to adopt the proposal.**

Mr. Townsley made a **motion** to reword the Military Retirement Tax Plan. Chair Holbert stated that another position paper would have to submitted the Council to address that issue. The motion was not seconded.

Mr. Wes Edwards of MOAA presented four proposals:

MOAA 2013-01: Northern Virginia Veterans Care Center

- Discussion – When the USDVA provides their 65% of the funding Virginia has the authorization to proceed with their 35%. The land has not yet been identified. Once the USDVA provides their part of the funding and if the land is not set aside the USDVA will then move on to the next project. The Northern Virginia Training Center is about to be closed. This property would be perfect for the Northern Virginia Veterans Care Center.
- Proposal – that the Governor direct the necessary administrative or legislative actions to formally set aside land on the site of the Northern Virginia Training Center, which is currently owned by Virginia, for the Northern Virginia Veterans Care Center.

Mr. Townsley made a **motion** to accept the Northern Virginia Veterans Care Center as a proposal, **seconded** by Mr. Boyer.

Chair Holbert asked for a vote to adopt the Northern Virginia Veterans Care Center as submitted. The proposal to adopt was **passed unanimously** by the JLC.

MOAA 2013-02: JROTC to Fulfill Physical Education Requirement

Mr. Edwards made a **motion** to accept the JROTC to Fulfill Physical Education Requirement, **seconded** by Mr. Townsley.

Mr. Martinez stated that the JLC is for veterans and that this proposal is a high school issue and has no place with the JLC. Mr. Martinez recommended that the JLC not support this proposal.

Mr. Edwards stated that the MOAA Chapter that had proposed this initiative had requested that it be withdrawn because high schools already have the authority, therefore, **MOAA wished to withdraw this proposal from consideration.**

Chair Holbert stated that at the request of the sponsor, **this proposal was withdrawn.**

MOAA 2013-03: Electronic return of absentee ballots

- Discussion – it can be difficult for military service members to receive and return absentee ballots in a timely manner.
- Proposal – military and overseas citizens be provided the opportunity to return ballots electronically.

Mr. Edwards made a **motion** to accept this proposal, **seconded** by Mr. Reistad.

Mr. Edwards explained that two representatives for the State Board of Elections are present and support the initiative.

Mr. Combs distributed background information provided by the State Board of Elections. He explained that this compliments the position paper. Ms. Martha Brisette, State Board of Elections, stated that currently no absentee ballot can return their ballot electronically. The ballots can be requested and sent to the voter electronically but a hard copy has to be returned via U.S. Mail. Ms. Brisette stated that some other states do accept ballots electronically.

Chair Holbert asked for a vote to accept this proposal which was **adopted unanimously** by the JLC.

MOAA 2013-04: Business Incentives for Hiring Veterans

- Discussion – Virginia should do everything in its power to transform those who have been defending our liberties into productive veterans that can strengthen its economy. Employment incentives through education and tax credits should be pursued to this end.
- Proposal – that the JLC propose legislation that will support hiring veterans, particularly those who have served during the past decade.

Mr. Martinez stated that the recommendation should not read “that the JLC should propose legislation” but read “the JLC supports legislation”. Mr. Moran stated that the V3 initiative is getting this exact proposal accomplished. Chair Holbert suggested that the words “the JLC propose legislation” be reworded to read “the JLC recommends that legislation be proposed”

Mr. Boyer made a **motion** to accept the Business Incentives for Hiring Veterans, **seconded** by Mr. Townsley.

Chair Holbert asked for a vote to adopt the Business Incentives for Hiring Veterans with changes to some of the verbiage. The proposal was **adopted unanimously** by the JLC.

Mr. Dan Boyer of the VFW presented two proposals:

VFW 2013-01: Sales and Used Tax Exemption for Veterans Service Organizations

- Discussion – this proposal is a finance issue and a merit issue. There are a lot of charitable organizations that are tax exempt in Virginia.
- Proposal – that the Governor and General Assembly establish a Sales and Use Tax Exemption for non-resale items in the Code of Virginia.

Mr. Boyer **moved** to present Sales and Used Tax Exemption to the General Assembly this year, **seconded** by Mr. Townsley.

Mr. Boyer stated that the VFW informed General Assembly members of this issue and that it was passed in the Senate during the 2012 session. Mr. Boyer stated that the VFW strongly recommends approval of this proposal. He said that last year the Governor supported the bill in principal but due to budget constraints would not consider it at that time.

Chair Holbert asked for a vote to adopt the Sales and Used Tax Exemption for Veterans Service Organizations. The proposal was **adopted** by the JLC.

VFW 2013-02: In-State Tuition Eligibility for Veterans

- Discussion – the intent of this proposal is to clarify the intent of the In-State Tuition Law waiving the one-year residency requirement for veterans to attend public colleges and universities at in-state rates.
- Proposal – that the Code of Virginia be changed to remove the intent to establish domicile provision for veterans.

Mr. Boyer made a **motion** to accept the In-State Tuition Eligibility for Veterans, **seconded** by Mr. Townsley.

Chair Holbert asked for a vote to adopt the In-State Tuition Eligibility for Veterans. The proposal was **adopted unanimously** by the JLC.

Chair Holbert stated that there were six approved proposals.

Mr. Jeff Platte stated that the Air Force Association is working on a position paper that they would like to present at a later time. The position paper is to bring the DVS claims agents salary to a higher standard which will bring them to a more competitive salary.

Chair Holbert asked if there are any other position papers to be presented. She also noted that if any more position papers come in between July 11 and October 17 that they would be considered.

Mr. Townsley addressed the Council about other proposals. He stated that every legislation that is presented by other delegates and senators that effect veterans sometimes do not pass. He asked if the JLC could approach these Delegates and Senators on these failed bills. The JLC can then support these bills and try to push them through the General Assembly. Chair Holbert stated that this has been discussed in the past with the Council and that Mr. Combs does monitor these bills.

Deputy Commissioner Janis stated that the VSOs should encourage their members to meet with their elected representatives between General Assembly sessions to build relationships and discuss issues. He encouraged the Council members to monitor non-JLC-proposed, veteran-related legislation that was introduced, put did not pass, past General Assembly sessions. He said that if a VSO thought that the idea had merit, the VSO should bring the proposal to the JLC on its own behalf. He noted that because the JLC operates on the premise that ideas are brought to the JLC by the VSOs, then VSO representatives should search for ideas on behalf of their VSO and bring them to the JLC, rather than the JLC as a body looking for ideas.

Chair Holbert explained that the Council must vote to prioritize the six approved proposals:

- AL 2013-01: VMSDEP
- MOAA 2013-01: Northern Virginia Veterans Care Center
- MOAA 2013-03: Electronic Return of Absentee Ballots
- MOAA 2013-04: Business Incentives for Hiring Veterans
- VFW 2013-01: Sales and Use Tax Exemption
- VFW 2013-02: In-state Tuition Eligibility

The Council voted and prioritized the list as listed below. (NOTE: the proposals have been relabeled and renumbered to reflect JLC adoption and prioritization):

1. JLC 2013-01: Electronic return of Absentee Ballots
2. JLC 2013-02: Northern Virginia Veterans Care Center
3. JLC 2013-03: Sales and Use Tax Exemption
4. JLC 2013-04: Business Incentives for Hiring Veterans
5. JLC 2013-05: In-state Tuition Eligibility
6. JLC 2013-06: VMSDEP

Elect JLC Chair and Vice Chair

Chair Holbert asked for the Nominating Committee's report. Mr. Boyer stated that the Committee **nominates** Mr. Don Kaiserman for JLC Chair and Mr. Carmen Gentile for JLC Vice Chair. Mr. Townsley **seconded** the nominations.

Chair Holbert asked if there are any nominations from the floor. Mr. Jackson **nominated** Mr. Thomas Moran for Vice-Chair. Mr. Boyer **seconded** the nomination.

Mr. Driscoll **moved** to close the nominations. Mr. Boyer **seconded** the motion. The close of nominations was approved by **unanimous consent**.

Mr. Kaiserman was approved as JLC Chair by **unanimous consent**.

Chair Holbert then asked for Mr. Gentile and Mr. Moran to please leave the room so the Council could vote on the Vice-Chair. She then asked for a show of hands in the vote for Mr. Gentile for Vice-Chair. Mr. Gentile received seven votes. Chair Holbert then asked for a show of hands in the vote for Mr. Moran for Vice-Chair. Mr. Moran received nine votes.

Chair Holbert asked that Mr. Gentile and Mr. Moran to return to the meeting. She then announced that Mr. Kaiserman is the new Chair and Mr. Moran is the new Vice-Chair and congratulated both of them.

Other new business/open discussion

Chair Holbert asked if there is any other new business.

JLC Logo

Mr. Combs explained that the new JLC logo has been approved (*Attachment 10*). Ms. Anne Atkins and the Logo Committee developed this logo. The Logo Committee consists of Chair Holbert, Mr. Corbett, Mr. Steeley, Mr. Jackson, and Ms. Atkins. The Committee considered many designs and put the design out for a vote from the membership. The design in the agenda packets is the design that received the most votes.

Chair Holbert asked for a motion to approve the design. Mr. Kaiserman made a **motion** to approve the JLC Logo design as submitted. Mr. George Corbett **seconded** the motion. The new JLC Logo design was approved by **unanimous consent**.

Mr. Moran asked if it was too late to add the outline of Virginia behind the Logo. Ms. Atkins explained that the contest has been closed and an award was issued to the winner. She said that if the Council wants to move forward with adding the outline of Virginia there will be an additional cost to do so. Mr. Coker and Mr. Jackson expressed their strong opposition to changing the design, especially at this late date.

Iraq and Afghanistan Veterans of America

Mr. Gentile pointed out that during the last meeting of the Reserve Officers Association the need to reach out to younger veterans and encourage them to register for membership with VSOs was discussed. He introduced Mr. Kelly Niernberger who said that he recently had joined the Iraq and Afghanistan Veterans of America. He encouraged veterans that served in these wars to visit the IAVA website at <http://iava.org> and sign up for membership. Membership is free and proof must be provided of service. He said that the IAVA is still relatively new and does not have much of a local organization. There are offices, one of which is in New York and Washington D.C. Mr. Niernberger said he informed the IAVA office in Washington D. C. of the JLC. Mr.

Niernberger would like to work with Mr. Combs and invite someone from the IAVA to make a presentation to the Council.

DVS Website

Mr. Zino asked about the DVS website and the contact information listed for board members. He wanted to know if an e-mail address hyperlink could be attached to the board member names for easier access to members. Chair Holbert stated that board members' personal contact information should not be listed on the DVS website.

Public Comment

Chair Holbert asked if there were any public comments.

Mr. Dan Miller, the first JLC Chair, addressed the Council and stated that he has watched the Council grow and salutes the JLC for a job well done.

Mr. Martinez made a **motion** to move the Public Comment Period to the beginning of the meeting. Mr. Townsely **seconded** the motion. The Council then discussed the time allowed for the Public Comment and when it should appropriately be held during the meeting. It was noted that the meeting is announced on the Commonwealth Calendar and the approximate time when public comment would take place is listed. Chair Holbert asked for a vote. The motion to change the Public Comment Period time was **defeated**.

Closing remarks

Commissioner Galanti distributed DVS lapel pins to the Council members. He stated that the JLC is the most valuable veterans group in Virginia and thanked the JLC for their support to DVS.

Commissioner Galanti thanked Chair Holbert for serving as JLC Chair and for the superb job she did.

Chair Holbert thanked Commissioner Galanti, his staff and the JLC and gave a brief farewell speech.

Adjournment

There being no further business, Chair Holbert adjourned the meeting at 2:16 p.m.

ATTACHMENT 1

**Joint Leadership Council of Veterans Service Organizations
American Legion Building
1708 Commonwealth Avenue, Richmond
July 11, 2012
10:00 a.m. – 2:00 p.m.**

AGENDA

- I. Opening and Pledge of Allegiance – *Jenny Holbert, JLC Chair* (10:00 – 10:05)
- II. Roll call of VSOs, quorum determination, approval of agenda and introduction of guests – *Jenny Holbert, JLC Chair* (10:05 – 10:10)
- III. Approve May 23, 2012 meeting minutes – *Jenny Holbert, JLC Chair* (10:10 – 10:15)
- IV. Presentations (10:15 – 10:45)
 - a. 2012-2013 Directory of Virginia Legislators and Governor who served in the military – *David Bailey, Director, David Bailey Associates* (5 minutes)
 - b. Virginia War Memorial Education Foundation – *John Cogbill, Chairman* (5 minutes)
 - c. Virginia Values Veterans (V3) employment initiative – *Bill Janis, Deputy Commissioner and Joe Barto, President, TMG, Inc.* (20 minutes)
- V. Reports (10:45 – 11:35)
 - a. Board of Veterans Services – *Thad Jones, BVS Chairman* (5 minutes)
 - b. Veterans Services Foundation – *David Holt, VSF Chairman* (15 minutes)
 - c. Department of Veterans Services – *Paul Galanti, Commissioner* (20 minutes)
 - d. Virginia Military Advisory Council – *Jeff Platte, JLC Representative* (5 minutes)
 - e. Interstate Compact – *Chip Moran, JLC Representative* (5 minutes)
- Lunch (11:35 – 12:00)
- VI. New business (12:00 – 1:50)
 - a. Review and select JLC 2012-2013 Initiatives – *Jenny Holbert, JLC Chair* (90 minutes)
 - b. Elect JLC Chair and Vice Chair – *Jenny Holbert, JLC Chair* (10 minutes)
 - c. Other new business/open discussion – *Jenny Holbert, JLC Chair* (10 minutes)
- VII. Public comment period (1:50 – 1:55)
- VIII. Closing remarks – *Jenny Holbert, JLC Chair* (1:55 – 2:00)
- IX. Adjourn (2:00)

ATTACHMENT 2

Virginia Values Veterans (V3)

A Veteran Talent Acquisition and Retention Training and Certification Program

Prepared for the Joint Leadership Council of Veterans Service Organizations July 11, 2012 Meeting

1. Facts: Virginia Unemployment Rate: 5.6%. Virginia Veteran Unemployment Rate: 10.6%. 823,000 Veterans in Virginia (does not include transitioning National Guard and Reservists). The unemployment rate for veterans aged 20 to 24 has averaged 30% in 2012. FY12 DOD paid ~\$1 Billion in Unemployment Benefits. FY15 Budget: \$3 Billion
2. V3 is all about re-capitalizing the Virginia Workforce and energizing Virginia's economy. It is an Economic Development initiative.
3. DVS is kick starting the V3 Training and Certification Process by teaching companies how to hire Vets and then tracking the business impact of re-capitalizing the workforce with Vets to give others the courage to hire and retain Vets. (Teaching companies how to fish not fishing for companies.)
4. V3's primary focus is on Virginia's companies under 1,000 which represent collectively the overwhelming majority of the total hiring demand and connecting them with the primary hiring and retention requirement—Initial Entry Teammates.
5. V3's 1st year goal is by the 1st Annual V3 Summit on June 12, 2013 to have proven the concept by training and certifying at least 50 companies.

V3 Qualifying Questions

- 1. What was your average total headcount last year including Temps?***
- 2. How many people did you hire last year?***
- 3. How many were Vets?***
- 4. How many Vets were still in your company after 1 year?***
- 5. What is your Veteran Hiring and Retention goal for this year or next year?***

How can the JLC Member Organizations Help?

1. Get the word out to your members who are now in a position of influence in business to encourage participation in the V3 Training and Certification Program.
(Vets helping Vets)
2. Support V3 by hosting or sponsoring training or information sharing events.

ATTACHMENT 3

COMMONWEALTH OF VIRGINIA BOARD OF VETERANS SERVICES REPORT TO THE JOINT LEADERSHIP COUNCIL OF VETERANS SERVICE ORGANIZATIONS July 11, 2012

The Board of Veterans Services (BVS) met on May 16 and:

1. Reviewed BVS and JLC 2011-2012 Initiatives and the 2012 General Assembly session;
2. Received a presentation on new initiatives related to employment;
3. Received the reports of the JLC, the Veterans Services Foundation (VSF), and the Department of Veterans Services (DVS);
4. Discussed potential initiatives for 2012-2013.

The Board is studying several items related to the Department of Veterans Services (DVS). Some of these items may be adopted by the Board as Executive Order 29 (EO29) recommendations to Governor McDonnell for his consideration for the 2013 General Assembly, while others may be deferred or addressed directly with DVS. Items currently under review by the Board include:

1. DVS Benefit Service section staffing: salary structure and pay-bands;
2. Virginia Military Survivors and Dependents Education Program (VMSDEP): program administration and IT infrastructure support;
3. Veterans cemeteries: funding for maintenance reserve and equipment replacement; review of operating procedures;
4. Hampton Roads Veterans Care Center: site selection and evaluation;
5. Legal support: appropriate level of legal support for DVS;
6. Education services: staffing and funding levels;
7. DVS communications and outreach: opportunities and resources;

A portion of the July 18 Board meeting will be set aside for discussion of the 2012-2013 recommendations that will be adopted by the JLC on July 11, so that we may lend our full support.

Respectfully submitted,

Thad A. Jones

ATTACHMENT 4

VETERANS SERVICES FOUNDATION REPORT TO Joint Leadership Council of Veterans Service Organizations July 11, 2012

The Veterans Services Foundation (VSF) Board of Trustees has not met since May 2, 2012. The events at that meeting were contained in the Foundation report to the JLC of May 23, 2012.

As noted in the last Foundation report, the Board has lost five members. Two appointments have been made. One is Mr. Frank Driscoll, who is a retired Navy Captain and is a departing member of the JLC. He was appointed by the Senate. The other is Al Pianalto, who is a retired Air Force Colonel and is one of Delegate Cox' Legislative Assistants. He is representing the Foundation today because the officers are not available. The three Governor's appointees have not been announced as yet.

The Finance Committee held a meeting on June 21, 2012 and the minutes are posted on the Commonwealth Calendar. The meeting focused on some unresolved issues that needed to be addressed before the committee lost half of its members due to their departing the Board on June 30 as announced in the last Foundation report. The main issue was the need to adjust FY13 Department of Veterans Services (DVS) budget requests from DVS programs to reflect Appropriations Act limitations. Also discussed was the status of DVS expenditures of Foundation funds which are summarized in the first attachment. These figures are not final because the state financial accounting data has not been reconciled as yet.

On the income side as of 30 June, the Foundation has received over \$300,000, of which almost \$189,500 is for VWWP, almost \$101,500 is for care centers, just over \$8,000 for cemeteries, and the remainder for other activities during FY12. The significant contributors to VWWP are listed on the second attachment. The Foundation extends its sincere congratulations to the outstanding outreach of all DVS activities to realize this significant fundraising. It could not have been accomplished without the dedication of all DVS personnel.

The next Board meeting is scheduled for August 1, 2012. Items for the next meeting may include: (1) approval of the 4th Quarter FY12 Fund Statement; (2) approval of the FY13 VSF-DVS Budget; (3) review VSF FY12 and FY13 fundraising programs; (4) refinement of VSF proposed logo; (5) review of FY13 Goals and Objectives; and (6) a possible presentation by VWWP.

Respectfully submitted,

David Holt
VSF Chairman

Two attachments

ATTACHMENT 5

Veterans Services Foundation Schedule of Receipts, Expenditures and Budget, by Activity For the Month Ended June 30, 2012 (Unaudited)

Activity	Beginning Balance July 1, 2011	Receipts	Expenditures	Ending Balance June 30, 2012
Virginia Veterans Care Center:				
Indigent Resident Needs	\$10,784	\$3,320	\$924	\$13,181
Activities Fund	\$15,721	\$3,825	\$3,465	\$16,081
Operation Holiday Spirit	\$52,874	\$22,912	\$17,637	\$58,149
Carnival Fund	\$9,384	\$1,500	\$3,056	\$7,828
Rehabilitation Equipment	\$39,570			\$39,570
Other Equipment	\$23,520	\$2,500	\$7,018	\$19,002
Unit Projects and Functions	\$9,611	\$1,200		\$10,811
Other Donations Restricted for use at VVCC	\$8,519	\$49,450	\$43	\$57,926
Total VVCC	\$169,983	\$84,707	\$32,143	\$222,547
Sitter & Barfoot Veterans Care Center:				
Indigent Resident Needs	\$1,141		\$153	\$988
Activities Fund	\$4,950	\$4,436	\$5,396	\$3,990
Operation Holiday Spirit	\$11,201	\$530	\$2,159	\$9,572
Other Equipment	\$8,295	\$5,360	\$10,032	\$3,624
Other Donations Restricted for use at SBVCC	\$1,807	\$6,400		\$8,207
Total SBVCC	\$27,394	\$16,726	\$17,739	\$26,381

Cemetery Funds:

Virginia Veterans Cemeteries	\$0	\$550		\$550
Virginia Veterans Cemetery--Amelia	\$4,602	\$1,715		\$6,317
Albert G. Horton Jr. Memorial Cemetery--Suffolk	\$5,509	\$4,630	\$3,609	\$6,530
SW Virginia Veterans Cemetery--Dublin	\$5,576	\$1,126		\$6,702
Total Cemetery Support Funds	\$15,687	\$8,021	\$3,609	\$20,099

VWWP Funds:

Outreach Services	\$47,000		\$32,874	\$14,126
Direct Veterans Services	\$45,000		\$16,988	\$28,012
Enabling Veterans Services	\$5,000		\$602	\$4,398
Grant Matching	\$43,000		\$28,340	\$14,660
Support Services	\$5,000			\$5,000
Other Donations Restricted for use by VWWP	\$28,886	\$189,613	\$500	\$217,999
Total VWWP Funds	\$173,886	\$189,613	\$79,304	\$284,195

Homeless Veterans Fund	\$26	\$500		\$526
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Foundation Support Fund	\$40,000	\$0	\$15,660	\$24,340
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Endowment Fund	\$238,964	\$17,680	\$0	\$256,644
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Grand Total All Funds	\$665,941	\$317,247	\$148,455	\$834,733
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ATTACHMENT 6

VWWP FUNDRAISING RESULTS FOR FY12*

**Unaudited
June 30, 2012**

Income

VWWP

Dominion Resources	26,000.00
Anonymous Foundation	18,000.00
Soc Gov Mtng Prof	12,982.00
Marshall Ch. MOAA	12,500.00
Ladies Auxiliary Va VFW	10,253.83
Lakeview Golf Club	10,221.08
Southwestern Youth Assn	8,386.00
Bosh Global Services	7,400.00
American Legion Post 146	6,132.00
Achievable Dream	5,000.00
Mar Corps League Ch.	4,197.65
VA-ACME	4,000.00
Restoring Lives CDC	3,795.00
Cavalier Golf & Yacht Cl.	3,322.31
Marriott (SGMP)	3,000.00
Richmond Ch. MOAA	2,000.00
Premium Distributors of Va	2,000.00
WSIG Radio	1,901.00
Pepco Energy Services Mbrs	1,777.31
Legion of Valor	1,625.00
Texas Roadhouse	1,600.00
American Legion Post 89	1,500.00
American Legion Post 62	1,380.00
Other VSO's**	5,035.00
Sgt Petty Poker Run	1,189.50
Mead West Vaco	1,163.95
Langley Yacht Club	1,000.00
Richard & Erica Viar	1,000.00
Cosby High School Mbrs	1,000.00
American Legion Post 4667	1,000.00
Individual Donors	<u>30,142.22</u>

VWWP Revenue Balance **189,612.75*****

*Does not include Grants, or Interest

**American Legion Posts, MOAA Chapters, DAV Aux Unit, VFW Post Aux, MOPH

*** Does not include \$271.50 in-kind donation by Earthen Fire Studios or an undetermined in-kind donation by BB&T Bank of 40 pieces of office furniture

ATTACHMENT 7



THE VIRGINIA DEPARTMENT OF VETERANS SERVICES *Serving Those Who Served*

VIRGINIA DEPARTMENT OF VETERANS SERVICES
Paul Galanti, Commissioner



**JOINT LEADERSHIP COUNCIL
OF VETERANS SERVICE ORGANIZATIONS**
July 11, 2012

Claims Representation ♦ Education ♦ Virginia Wounded Warrior Program
Care Centers ♦ Cemeteries ♦ Virginia War Memorial



THE VIRGINIA DEPARTMENT OF VETERANS SERVICES *Serving Those Who Served*



DVS SERVICES

- Claims Representation
- G.I. Bill and Education Assistance
- Virginia Wounded Warrior Program
- Care Centers
- Cemeteries
- Virginia War Memorial



FISCAL YEAR 2012: A QUICK ASSESSMENT

- Major gaps closed in financial resources/staffing
 - Four vacant claims agent positions filled
 - Vacant cemetery positions filled
 - Virginia Wounded Warrior Program – full complement of five regional directors
- Broad, bi-partisan support of veterans issues by Governor and General Assembly
- Support of JLC has been and will continue to be critical to DVS success
- Not all initiatives require a legislative or budget solution (ex. Virginia Veterans ID Card)



FISCAL YEAR 2013: THE YEAR AHEAD CLAIMS REPRESENTATION

- Hire four new claims agents (new total: 36)
- Launch Medicaid pilot program with DMAS and DSS



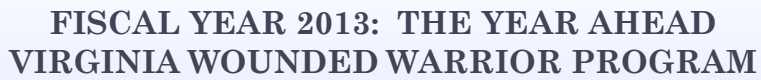
FISCAL YEAR 2013: THE YEAR AHEAD EDUCATION

- Hire one new staff member due to increased workload of new audit mission



FISCAL YEAR 2013: THE YEAR AHEAD EDUCATION

- Hire one new staff member due to increased workload of new audit mission



- Launch Virginia Homeless Veterans Initiative – hire two Homeless Veterans Coordinators
- AmeriCorps (Virginia Veterans Corps) director becomes full-time position. Program expands by two Navigators (new total: 22)



- Install pre-placed, double-depth outer burial containers at Amelia and Suffolk cemeteries
- Install new and replacement road signs for Suffolk cemetery
- Road repair/paving project at Amelia cemetery
- Monument/Woods Walkway project – all three cemeteries
- Unclaimed veterans cremains



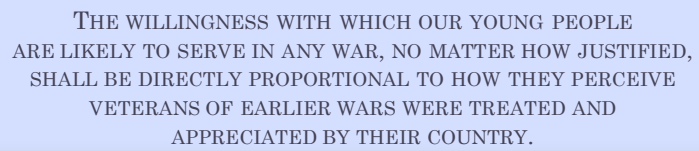
FISCAL YEAR 2013: THE YEAR AHEAD VIRGINIA WAR MEMORIAL

- Begin design of Virginia War Memorial expansion (GWOT Memorial, DVS offices, parking deck, additional exhibit and classroom space)



FISCAL YEAR 2013: THE YEAR AHEAD NEW INITIATIVES

- Virginia Values Veterans (V3)
- Student Veterans of America: establish statewide coordinating body. JLC membership?
- Fort Monroe Freedom Support Center



George Washington

ATTACHMENT 8



VIRGINIA VETERANS CEMETERIES MONUMENTS

Suffolk * Amelia * Dublin

Virginia's three state-operated veterans cemeteries are both final resting places for veterans and shrines memorializing the valor, courage, and sacrifice of these heroes. They are bright places of gratitude for the service of the warriors who have passed on and hope for the future generations who will take their place.

Each headstone tells a brief story about the individual who lies beneath it, but left untold is the collective story of men and women who wore our country's uniform. They may have engaged in a particular war, served in the same unit, earned a Purple Heart or other medal, or were held as prisoners of war.



Each of Virginia's three veterans cemeteries features a memorial walkway that family, friends, and citizens may walk for reflection and inspiration. Monuments along these walkways honor the heroic service and sacrifice of the men and women in the U.S. Armed Forces, keeping their memory alive.



We need your help to tell the collective story of America's veterans

Veterans service organizations and others are invited to contribute funding for a monument of their choice.

For more information about Virginia's veterans cemeteries donation program, contact Dan Kemano, Director of Cemeteries, 757-255-7217.

ATTACHMENT 9

AMERICAN LEGION POSITION PAPER

AL 2013-01

Virginia Military Survivors and Dependents Education Program

1. **Objective:** To ensure that the surviving spouses and dependents attending a Virginia public college or university as part of the Virginia Military Survivors and Dependents Education Program have the financial resources necessary to pursue their education.
2. **Background:**
 - The Virginia Military Survivors and Dependents Education Program (VMSDEP), formally known as the War Orphans Education Program, provides education benefits at Virginia public colleges and universities to spouses and children of military service members killed, missing in action, taken prisoner, or who became at least 90 percent disabled as a result of military service in an armed conflict.
 - Military service includes service in the United States Armed Forces, United States Armed Forces Reserves, the Virginia National Guard, or the Virginia National Guard Reserves. Armed conflict includes military operations against terrorism or as the result of a terrorist act, a peace-keeping mission, or any armed conflict after December 6, 1941.
 - Under VMSDEP, tuition and required fees are waived.
 - Students may also receive a stipend of up to \$1,500 per year toward room, board, books, and supplies. The amount of the stipend is dependent on several factors:
 - Amount of annual state funding for the program (currently \$1,250,000 per year);
 - The number of enrolled students.
 - Enrollment status: students enrolled full-time are eligible for the full stipend. Students enrolled half-time or less receive a prorated amount.
 - Benefits are available for up to four years or the equivalent.
 - 994 students used VMSDEP benefits in 2011-2012.
3. **Discussion:**
 - The \$1,500 stipend has been awarded since the 2007-2008 academic year. The \$1,500 per student annual cap has remained the same since then.
 - According to the State Council of Higher Education for Virginia (SCHEV), the cost of room, board, books, and supplies has risen 20% since the stipend was first awarded:

	R/B	B/S	Total
2007-08	\$6,909	\$930	\$7,839
2011-12	\$8,349	\$1,080	\$9,429
Difference	\$1,440	\$150	\$1,590
Percent	20.8%	16.1%	20.3%

4. **Recommendation:** That the Governor and General Assembly increase the per-student annual stipend cap by 20%, to \$1,800, and appropriate an additional \$250,000 (20% of \$1,250,000).

FRA POSITION PAPER
FRA 2013-01
Military Retirement Tax Plan

ISSUE: Military Retirement Pay

OBJECTIVE: The purpose of this position paper is to introduce a plan for the Commonwealth of Virginia to take the initiative over the next five years to reduce and eliminate the tax on Military Retirement Pay for Virginia Veterans.

BACKGROUND: An exemption for military retired pay has been proposed several times in recent years, including House Bill 981 from the 2010 General Assembly, which was left in committee. The Department of Taxation estimated that the bill would reduce state General Fund revenue by \$242 million the first year and \$160 to \$170 million a year after that. Of course, any reduced revenue would have to be made up for by:

- a) Reducing services or funding less expensive way to provide those services.
- b) Eliminating services, agencies, or by consolidating positions to be more efficient.
- c) Raising taxes or finding other sources of revenue such as the lottery or hot lanes on I - 95.
- d) Increasing the number of Virginia State Residents and businesses.

For comparison, the General Fund portion of the DVS budget is approximately \$8.5 million a year and 100 positions. If the Department of Taxation calculations are correct, you'd have to eliminate 20 agencies the size of DVS to offset the reduced revenue. However, when the big picture was reviewed, there will be a positive cash flow for the Commonwealth of Virginia instead of a negative one. Based on the Department of Taxation initial finding, the Joint Leadership Council of Veterans Service Organizations (JLC) considered, and rejected, making this one of their legislative objectives a couple of years ago. The JLC has tried to focus on objectives that it considers to: "need to have, rather than nice to have," and this proposal was eliminated from consideration for that reason. Given the current real-time environment and because many other states are taking the lead on the issue, the FRA is recommending that the JLC revisit this legislative objective and join our **SIX** other neighboring states and the **40** other states in reducing or eliminating the state income tax which is currently being withheld or the Commonwealth could lose potential residents and businesses which will result in **a loss of millions of dollars income for the state.**

DISCUSSION: The one thing that may have been overlooked in the initial findings is that more Veterans would select Virginia as their home state instead of living in Maryland, Pennsylvania, Tennessee, North Carolina, Delaware and DC if the personal property tax was discontinued and Military Pay was tax exempt. With the DoD cuts on the raise for CY 2013, a proposed benefit such this, could help keep Military Retirees in Virginia and that would have a profound effect on the Commonwealth. For Enlisted Personnel (E-6) retiring in 2012, the total retirement pay before deduction is: \$21, 408, and the estimated tax for that amount @ 5.75% would be: \$1,131.00. If you consider that an average family buys a house for \$225,000, has two cars at:

\$60,000 and pays a lot of taxes such: personnel property tax, property tax, business tax, sales tax and purchases good and services, the Commonwealth of Virginia would be receiving a positive cash flow for the state instead of a negative one. With 46 out of 50 having these benefits for military personnel, it's time of the Commonwealth of Virginia to lead the pack and be the most Veteran friendly state in the country or we will lose valuable resources that men and women bring to the table after years of defending our great nation.

RECOMMENDATION: The FRA is proposing a five year plan to eliminate the tax on military retirement pay which will start in CY 2014. Starting with the tax year 2013, 20% of the military pay would be exempt and that would increase at 20% increments over the next four years. The goal is to have 100% tax free military retirement pay by CY 2018. Currently we are losing a lot of residents to DC, Maryland and North Carolina because of the state income and personal property taxes on vehicles. Now is the time for change. Let's make Virginia the best Veteran friendly state in the **nation.**

State	Military Retirement Pension Exempt from State Taxation	Amount of Exemption or Exclusion
Alabama	Yes	Full exemption (Alabama Department of Revenue at http://www.ador.state.al.us/)
Alaska	No state income tax	NA
Arizona	Income exclusion	Up to \$2,500 exclusion (Ariz. Rev. Stat. § 43-1022) (additional information at http://usmilitary.about.com/gi/dynamic/offsite.htm?site=http://www.revenue.state.az.us/)
Arkansas	Income exclusion *	Up to \$6,000 (Ark. Code Ann. § 26-51-307) http://usmilitary.about.com/gi/dynamic/offsite.htm?site=http://www.ark.org/dfa/
Colorado	Income exclusion *	Up to \$20,000 for those age 55 to 65; up to \$24,000 for those age 65 or older (Colo. Rev. Stat. § 39-22-104)
Connecticut	Income exclusion *	Connecticut exempts 50% of federally taxable military retirement pay from the state income tax. The exemption applies to federal retirement pay to members of the U.S. Army, Navy, Air Force, Marines, Coast Guard, and Army and Air National Guard (CGS § 12-701(20)(B)(xvii)). http://www.cga.ct.gov/2010/rpt/2010-R-0119.htm
Delaware	Income exclusion *	Up to \$2,000 of any pension income for people under age 60; up to \$12,500 for people age 60 or older. http://www.state.de.us/revenue/PIT_FAQ.shtml
District of Columbia	Income exclusion	The lesser of \$3,000 or the military retirement pay for people age 62 or older (D.C. Code Ann. § 47-1803.02)
Florida	No state income tax	NA
Georgia	Income exclusion *	Up to \$15,000 for those age 62 or older and are totally disabled (GA. Code Ann. § 48-7-27)
Hawaii	Yes	Full exemption (Hawaii Rev. Stat. § 235-7(a)(3))
Idaho	Income exclusion	Taxpayers age 65 and older or age 62 and disabled may exclude \$19,920 (single filers) or \$29,880 (joint filers) (Idaho State Tax Commission at http://www.tax.idaho.gov/Conformity_to_%20IRC_%202004.htm)
Illinois	Yes	Full exemption (35 ILCS 5/203) additional information at http://www.iltax.com/LegalInformation/letter/rulings/it/2000/ig000073.pdf
Indiana	Income exclusion	Up to \$2,000 for retirees age 60 or over (single filers) and up to \$4,000 for joint filers (additional information at http://www.in.gov/dor/individual/deductions.html#lottery)
Iowa	Income exclusion *	Exclusion of up to \$12,000 (joint returns), and up to \$6,000 (other returns) of military retired pay (Iowa Department of Revenue at http://www.state.ia.us/tax/educate/faqinc.html#13)
Kansas	Yes	Full exemption (Kansas Department of Revenue at http://usmilitary.about.com/gi/dynamic/offsite.htm?site=http://www.ink.org/public/kdor/)
Kentucky	Yes/Income exclusion *	Full exemption for people who retire before January 1, 1998; for those who retire after this date, partial exemption
Louisiana	Yes	Full exemption (Louisiana Department of Revenue at http://www.rev.state.la.us/forms/publications/20162(6_04).pdf)
Maine	Income	Up to \$6,000 exclusion; amount reduced by Social Security benefits and railroad retirement benefits (Me. Rev. Stat. Ann. Tit. 36 § 5122(2)(M)) (Additional information at http://mainegov-

	exclusion *	images.informe.org/revenue/publications/alerts/oct00ta.pdf
Maryland	Income exclusion *	Up to \$5,000; must be at least age 55 on last day of taxable year and an enlistee at time of retirement. Amount is reduced by 50% of the amount by which federal adjusted gross income exceeds \$17,500 (Md. Code Ann. Tit. 10 § 207) (additional information from Department of Revenue at http://usmilitary.about.com/gi/dynamic/offsite.htm?site=http://www.marylandtaxes.com/) Maryland raised their subtraction modification on all military retirees and their spouses receiving SBP, a \$5000 reduction in 2006. This was signed into law by Governor Erlich.
Massachusetts	Yes	Full exemption (Mass. Gen. Laws Ann. Tit. 62 § 2(a)(2)(E) (additional information from Massachusetts Department of Revenue at http://www.dor.state.ma.us/)
Michigan	Yes	Full exemption (Mich. Stat. Ann. 206 § 30) (additional information from Department of Treasury at http://www.michigan.gov/treasury/0,1607,7-121-24321-6440--F,00.html)
Minnesota	Income Exclusion *	\$14,500 (single filers) and \$18,000 (joint filers); taxpayer must be age 65 or older
Mississippi	Yes	Full exemption (Miss. Code Ann. § 27-7-15)(additional information from Mississippi State Tax Commission at http://www.mstc.state.ms.us/taxareas/indivd/rules/ireg704.pdf)
Missouri	Income exclusion	A \$6,000 pension exclusion for single filers and \$12,000 for joint filers is allowed for people earning below certain income limits (Missouri Department of Revenue at http://dor.mo.gov/tax/personal/faq/indiv.htm#q11)

State	Military Retirement Pension Exempt from State Taxation	Amount of Exemption or Exclusion
Montana	Income exclusion *	There is a \$3,600 exclusion, if adjusted gross income is less than \$30,000. (Montana Department of Revenue at http://discoveringmontana.com/revenue/forindividuals/individualincome/calculationiit.asp)
Nevada	No state income tax	NA
New Hampshire	No state income tax	NA
New Jersey	Yes	Full exemption (N.J. Stat. Ann § 54A:6-26)
New Mexico	Income exclusion *	Taxpayers age 65 or older may exclude up to \$8,000 of income from any source (\$16,000 for joint filers), if they earn less than \$28,000 in any year)
New York	Yes	Full exemption (Tax Law § 612)
North Carolina	Yes/Income exclusion *	Full exemption for persons with five years of creditable service as of August 12, 1989; otherwise a deduction of up to \$4,000 (\$8,000 for joint filers) is allowed (N.C. Gen Stat. § 105-134.6 and North Carolina Department of Revenue at http://www.dor.state.nc.us/taxes/individual/benefits.html)
North Dakota	Income exclusion	An exclusion of up to \$5,000 is allowed for people at least age 50; the amount must be

		reduced by any Social Security benefits the person gets (North Dakota state tax commissioner at http://www.state.nd.us/taxdpt/misc/faq/indincome/#mp4)
Ohio	No	\$200 retirement credit available (Ohio Department of Taxation at http://tax.ohio.gov/)
Oklahoma	Income exclusion	Up to \$5,500 (Okla. Stat. Ann. Tit. 68 § 2358)
Oregon	Yes	Pre 1991 retirees fully exempt; post October 1, 1991 retirees may exclude a portion of their income using a specified formula (additional information from the Department of Revenue at http://egov.oregon.gov/DOR/PERTAX/faq-military.shtml)
Pennsylvania	Yes	Full exemption (72 P.S. § 7301(d)(i) & (iii)). 72 P.S. § 7301(d)(iii); additional information at (more information at Department of Revenue at http://www.revenue.state.pa.us/revenue/cwp/view.asp?a=238&q=171013)
South Carolina	Yes/ Income exclusion	Military retirement for service in the National Guard and Reserves for state or federal service is fully exempt; up to \$10,000 is exempt for service in any other military component for taxpayer over age 65 and \$3000 for tax payers under age 65 (South Carolina Department of Revenue at http://www.sctax.org/default.htm)
South Dakota	No state income tax	NA
Tennessee	No state income tax	NA (State income tax only for dividends and interest income) (Tennessee Department of Revenue at http://www.state.tn.us/revenue/misc/hallfaq.htm#hall6)
Texas	No state income tax	NA
Utah	Income exclusion	Up to \$7,500 for single filers and \$15,000 (joint filers) over age 65; \$4,800 for single filers and \$9,600 for joint filers under age 65, depending on age (Utah Code Ann. § 59-10-114))
Vermont	No	Follows federal tax rules
Virginia	Income Exclusion *	\$6,000 for taxpayer age 62 – 64; \$12,000 for tax payer age 65 or older
Washington	No state income tax	NA
West Virginia	Income exclusion	\$2,000 or more depending on years of service (W. VA. Code § 11-21-12)
Wisconsin	Yes	Full exemption (Wisconsin Department of Revenue, Publication 126 (11/04)). http://www.dor.state.wi.us/pubs/pb126.pdf
Wyoming	No state income tax	NA

Source: State statutes, state tax department websites, and NCSL *State Personal Income Taxes on Pensions and Retirement Income*: Tax Year 2003 <http://www.cga.ct.gov/2005/rpt/2005-R-0131.htm>

Virginia Council of Chapters (VCOC) of the Military Officers Association (MOAA) proposals for JLC at March 28, 2012 meeting
As of March 22, 2012

* For reference only – does not indicate priority

Section I – Items with specific MOAA EO29 Recommendations

#*	Issue	EO 29 Recommendation	Background
1.	Northern Virginia Veterans Care Center	Have a portion of the state owned property at the site of the Northern Virginia Training Center (NVTC) in Fairfax County set aside for future construction of a Virginia Veterans Care Center. NVTC is planned to close by June 30, 2015.	The <i>Long-Term Care Feasibility Study: Quality Care They Earned</i> was prepared for the Virginia Department of Veterans Services in 2007 had as one its recommendations to provide a new Virginia Veterans Care Centers (VCC) in the Northern Virginia Planning District (Arlington, Fairfax, Loudoun, Prince William, Alexandria City, Fairfax City, Falls Church City, Manassas City, and Manassas Park City) to accommodate 41,654 veterans (2000 census) over 65 in the Area. Land set aside would be used to construct the new VCC with up to 240 beds. Actual construction would occur after the United States Department of Veterans Affairs has determined that federal funds will be allocated, and Virginia approves and allocates the state share of the construction costs.
2.	JROTC to receive credit in lieu of otherwise required physical training	Require local school boards to accept participation in the Junior Reserve Officers Training Corps (JROTC) as fulfillment of any high school physical education requirement.	SB 269 covering this issue was introduced in 2012 and continued to 2013. Currently granting physical training credit to individuals participating in JROTC is a local school board option which is not specifically required.
3.	Electronic return of absentee ballot voted by Overseas voters.	Allow electronic return of absentee ballot voted by Overseas voters.	Currently an overseas voter can electronically register and receive an absentee ballot which then must be returned via "snail" mail. Legislation is required to permit electronic return of the voted ballot. HB 1057 and SB 82 as introduced in 2012 on this issue were continued to 2013.
4.	Individual and corporate income tax credit for taxpayers hiring	Permit an individual and corporate income tax credit for taxpayers hiring returning or	The Federal American Jobs Act that was enacted November 21, 2011, included tax credits

	returning or disabled military veterans.	disabled military veterans into new jobs paying an annual salary of at least \$50,000.	for helping veterans and wounded veterans find employment. Four other states and the District of Columbia have similar tax credits targeted to employers who hire veterans. HB 1041 as introduced in 2012 and continued to 2013 would allow an individual and corporate income tax credit for each new full-time job created and filled by a veteran with an annual salary of at least \$50,000
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Section II – Items of MOAA Interest as “Watch Items”

#*	Issue	Concern	Background
5.	Compact with Virginia's veterans.	<p>Has a compact with Virginia's veterans been fully defined and implemented?</p> <p>Requires review and understanding of the DVS 2011 Annual Report which was released on 12 March. Review may result in specific EO 29 recommendation(s) prior to the 11 July JLC meeting.</p>	<p>Compact is addressed but not fully defined in § 2.2-2004. Additional powers and duties of Commissioner. 17. Establish and implement a compact with Virginia's veterans, which shall have a goal of making Virginia America's most veteran-friendly state. The compact shall be established in conjunction with the Board of Veterans Services----</p> <p>§ 2.2-2454. Powers and duties of Board [of Veterans Services] 2. Investigate issues related to the provision of care and services to veterans, upon request of the Commissioner of Veterans Services or the Governor;</p> <p>3. Study all matters affecting the welfare of Virginia citizens who are veterans or dependents or survivors of such veterans, and make recommendations to the Commissioner of the Department of Veterans Services;</p>
6.	Role of the JLC under EO 29	Should Virginia Code 2.2-2681 covering the Joint Leadership Council of Veterans Service	<p>Virginia Code § 2.2-2681 addresses the Joint Leadership Council of Veterans Service Organizations (JLC); membership; terms; chairman; quorum; compensation.</p> <p>It further stipulates that The JLC is established</p>

		<p>Organizations (JLC); be amended to:</p> <ul style="list-style-type: none"> • establish the JLC as an independent advisory body to the executive and legislative branches, and • give it authority to address military related issues involving things the state can do to better accommodate military members and their families residing in Virginia? <p>Requires review and consideration by the full JLC membership. Actual adoption of resulting recommendation, if any, would occur at JLC meeting on 11 July.</p>	<p>as an advisory council, within the meaning of § 2.2-2100, in the executive branch of state government.</p> <p>Executive Order 29 (EO29) dated December 23, 2010 established guidance on the development and processing issues related to veterans. Prior to EO29 the JLC typically adopted legislative objectives (LO's) and informed the administration of these LO's are were not restrained from carrying them directly to the General Assembly (GA). EO 29 has altered the process in that the administration now has control of issues presented to the GA and issues that the JLC may advocate. Additionally "veteran" as defined in Virginia Code does not include active duty military.</p>
7.	Homeless Veteran Programs	<p>Is dedicated funding for Homeless Veteran Programs required? Funds could address:</p> <ul style="list-style-type: none"> A. Regional stand-downs, B. Emergency housing, C. Transition housing, and D. Permanent housing solutions <p>May be a specific EO29 recommendation to be presented in CY 2013.</p>	<p>The biennium budget for 2013-2014 is expected to provide positions and funding in DVS to focus on development of an action plan addressing mitigation of homelessness among veterans per the 2010 Joint Legislative Audit and Review Committee study.</p> <p>Need to develop a cost estimate.</p>

Section II – Items of MOAA Interest as “Watch Items”- continued

#*	Issue	Concern	Background
8.	Veteran's health care	<p>Should appropriate agencies be required to perform outreach activities to ensure veteran's health care receives top attention?</p> <p>Suggest that JLC go on record with DVS that this is an area of concern for the JLC and that the JLC be advised of any assistance that the JLC could provide.</p>	<p>63,659 Virginians have been deployed to Afghanistan and Iraq between September 2001 and November 2011; many of these men and women are returning with injuries and need assistance with filing claims for benefits. Concurrently, as Vietnam veterans age, they too have an increased need for claims assistance. Testimony to the U.S. Senate Veterans Affairs Committee in February indicated included “A 2011 RAND survey of veterans in New York State revealed that many veterans face difficulty navigating the complex systems of benefits and services available to them. While this survey was specific to New York veterans, the results are indicative of veterans’ experiences nationwide. Veterans reported that they do not know how to find the services they need or apply for the benefits they have earned. Even when they are able to find services appropriate for their needs, many veterans report frustration in accessing these services. Some veterans report long waiting periods to get an appointment at the VA, while others report having to repeat their stories and experiences to a number of different providers.”</p>

* For reference only – does not indicate priority



VIRGINIA COUNCIL OF CHAPTERS
Military Officers Association of America
2013 Position Paper
MOAA 2013-01
Northern Virginia Veteran Care Center

1. OBJECTIVE: To set aside land currently owned by the State of Virginia at the Northern Virginia Training Center in Fairfax County for the future construction of a Northern Virginia Veterans Care Center.

2. BACKGROUND:

The *Long-Term Care Feasibility Study: Quality Care They Earned* was prepared for the Virginia Department of Veterans Services in 2007 by the Schroeder Center for Healthcare Policy located in the College of William and Mary's Thomas Jefferson Program in Public Policy.

Among the six primary recommendations made in the report included the need for new Virginia Veterans Care Center in the Northern Virginia Planning District (Arlington, Fairfax, Loudoun, Prince William, Alexandria City, Fairfax City, Falls Church City, Manassas City, and Manassas Park City). The report suggested that the VCC "be located near veteran population centers without a Veterans Care Center and with high proportion of Medicaid and low income residents." A specific location for this VCC has not yet been designated.

As of the 2000 census there were nearly 42,000 veterans over 65 in the Northern Virginia Planning District, second only to Hampton Roads with nearly 48,000.

The Northern Virginia Training Center located in Fairfax County near the George Mason University Campus first opened its doors in April, 1973 as one of five residential training centers in the Commonwealth to serve people with intellectual and related disabilities. The Commonwealth of Virginia and the U.S. Department of Justice in January 2012 reached a settlement agreement. Under the terms of the agreement, Virginia will close the Northern Virginia Training Center in Fairfax by 2015. About 200 residents live at NVTC.

3. DISCUSSION:

- This property is already owned by the State of Virginia.
- Land set aside would be used to construct the new VCC with up to 240 beds. Actual construction would occur after the United States Department of Veterans Affairs has determined that federal funds will be allocated, and Virginia approves and allocates the state share of the construction costs.
- The cost of property in the Northern Virginia area is very high. By utilizing property already owned by State of Virginia the cost of the project should be significantly reduced.

4. RECOMMENDATION:

That the JLC recommend that the Governor direct the necessary administrative or legislative actions to formally set aside land currently owned by the State of Virginia at the Northern Virginia Training Center in Fairfax County for the future construction of a Northern Virginia Veterans Care Center.



VIRGINIA COUNCIL OF CHAPTERS
Military Officers Association of America
2013 Position Paper
MOAA 2013-02

JROTC to Fulfill Physical Education Requirement

1. Objective: To allow participants in high school Junior Reserve Officer Training Corps (JROTC) programs to fulfill any high school health/physical education (HPE) requirement.

2. Background:

Prior to school year 2007-2008, students were allowed to meet HPE graduation requirements through JROTC participation because the JROTC programs fully integrated the standards of learning (SOL) standards for health/physical education. In 2007-2008 the Virginia Department of Education (VDOE) discontinued the practice.

Currently, through provisions in the Standards of Accreditation (8 VAC 20-131-110) local school boards are permitted to develop policies to approve courses that could be substituted for regular courses. In part, 8 VAC 20-131-110 states, "if a school division elects to award credit on a basis other than that 140 clock hours of instruction required for standard unit of credit defined in this subsection, the local school division shall develop a written policy approved by the superintendent and school board which insures: (1) that the content of the course for which credit is awarded is comparable to 140 hours of instruction; and (2) that upon completion, the student will have met the aims and objectives of the course."

Senate Bill 269 (Norment) attempted to amend Code of Virginia section 22.1-253.13:1.D.14 regarding programs of physical fitness which "include any combination of (i) physical education classes, (ii) extracurricular athletics, or (iii) other programs and physical activities deemed appropriate by the local school board." Senator Norment's amendment would have added a sentence, "Such program shall accept participation in the Junior Reserve Officer Training Corps as fulfillment of any high school physical education requirement." The Bill had no fiscal impact statement and was continued to 2013.

The Heart Association maintains the high school HPE goes beyond physical activity and encompasses the promotion of a healthy diet and lifestyle. Further, that if physical exercise is the only activity, then student athletes would be eligible of credit for participation in sports. Physical education instructors are opposed to JROTC fulfilling the HPE requirement.

3. Discussion:

High school JROTC programs include physical exercise and wellness/lifestyle education to varying degrees, but uniformity and quality and course content is not assured across local school divisions.

While local school boards are the best judges of the requirements for physical education and healthy lifestyles, they also are heavily influenced by their communities and education associations making uniform requirements problematic.

4. Recommendation: That the JLC urge through appropriate channels that JROTC curriculum contain "promotion of a healthy diet and lifestyle" and propose legislation which allows JROTC programs to fulfill the high school HPE requirement provided the goal of promoting a healthy diet and lifestyle have been verified.



VIRGINIA COUNCIL OF CHAPTERS
Military Officers Association of America
2013 Position Paper
MOAA 2013-03

Electronic Return of Absentee Ballot Voted by Overseas Voters

1. OBJECTIVE: To allow electronic return of absentee ballot voted by Overseas voters

2. BACKGROUND: Uniformed service personnel, their dependents, and overseas civilian voters have traditionally experienced difficulties in casting absentee ballots due to a number of factors, including the timely return of a voted ballot.

Currently an overseas voter can electronically register and receive an absentee ballot which then must be returned via "snail" mail. Legislation is required to permit electronic return of the voted ballot.

HB 1057 and SB 82 as introduced in 2012 intended to improve registration and absentee voting procedures for military and overseas voters to include authorization for pilot programs *to vote by secure electronic means. Both were continued to 2013.*

HB1057 as an example authorizes the Secretary of the State Board of Elections(SBE) in added section § 24.2-713 B to authorize and supervise a pilot program or demonstration project in partnership with the Department of Defense Federal Voting Assistance Program (FVAP) or other state agency for the purpose of allowing voters specified in subdivision 2 of § 24.2-700 and military voters with disabilities or injuries to vote by secure electronic means or new technologies for such voters.

The Impact Statement for HB 1057 states that the "SBE indicates that a \$1.81 million dollar federal grant from the Department of Defense's Federal Voting Assistance Program (FVAP) is funding the development and immediate ongoing costs associated with this legislation. This technology is already in development for improvement in processes that are allowed under existing law."

Further, SBE states that the cost estimates of \$337,270 in FY 2012 and approximately \$90,000 in FY's 2013 through 2016 were put together based on estimates and MOU's with the various vendors associated with developing these projects as part of its FVAP grant application.

3. DISCUSSION: The State Board of Elections in their biennium 2010-2012 Strategic Plan states:

"SBE continues its efforts to expand access to the electoral process for military and overseas citizens. SBE implemented a program which makes absentee voting more convenient by offering military and overseas citizens the option to receive their absentee ballot by electronically by email. Counties and cities which have established central absentee precincts (caps) have the option to offer this service to military personnel serving on active duty overseas, as well as, to overseas citizens. Now, 86 out of 134 (64%) counties and cities in Virginia provide absentee ballots to military and overseas citizens electronically by email. Military and overseas citizens who qualify under this program may take advantage of special procedures that allow them to apply for an absentee ballot by e-mail; receive their ballot by e-mail, and in some cases, return their voted ballot by either mail.

4. RECOMMENDATION: That JLC recommend legislation to further enhance absentee voting by military and overseas citizens as which would complete the voting cycle by returning a voted ballot via the internet.



VIRGINIA COUNCIL OF CHAPTERS

Military Officers Association of America

2013 Position Paper

MOAA 2013-04

Business Incentives for Hiring Veterans

1. Objective: To encourage businesses to hire veterans and both take them off of unemployment and have jobs ready for veterans when they leave the military service.

2. Background:

The jobless rate for veterans who were in the service following September 11, 2001 was 12.1 percent last year, up from 11.5 percent in 2010 according to the Department of Defense. This far exceeds the employment rate for nonveterans for the same periods.

Virginia is home to approximately 823,000 veterans, of whom about 301,600 are from the period following September 11, 2001. Of these, approximately 36,500 are unemployed.

The focus of efforts to get veterans employed has been educating them regarding their qualifications, and how to find jobs. Veterans have been assisted in this by the Virginia Employment Commission's Virginia Workforce Connection website that assists veterans in stating their qualifications, which in most cases are significant.

The Virginia Workforce Connection also is designed to assist employers find the type of veteran they are seeking to employ. However, in reality most employers and their human relations personnel do not understand the qualities veterans possess and may be put off by anecdotal media pursuit of veterans with problems. Therefore, they do not understand that hiring veterans can lead to stronger businesses.

One approach to correcting this anomaly has been to offer tax incentives or credits for businesses to hire veterans. In the past, tax credits have provided incentive to hire certain types of employees. However, recently in Virginia this has come under criticism because the state has no handle on the tax incentives it has provided in the past that have reduced revenues into the general fund and thereby, in part, contributed to budget constraints. Over a dozen bills offering tax incentives, including two for hiring veterans (HB 1041 and 1050), were continued to 2013 pending the results of a comprehensive review of current tax credits and their productivity.

Another evolving approach is to educate employers and their human relations staff regarding the benefits veterans possess. In that way, employers would be seeking veterans rather than lumping them into the general category of potential employees.

3. Discussion: Virginia should do everything in its power to transform those who have been defending our liberties into productive veterans that can strengthen its economy. Employment incentives through education and tax credits should be pursued to this end.

4. Recommendation: That the JLC propose legislation that will support hiring veterans, particularly those who have served during the past decade.

VFW POSITION PAPER
VFW 2013-01

Sales and Use Tax Exemption for Veterans Service Organizations

1. **Objective:** To establish an exemption from the state and local Sales or Use Taxes for non-resale items in the Code of Virginia for nationally organized and recognized Veterans Service Organizations (VSOs).
2. **Background:**
 - The IRS has recognized nationally organized and recognized VSOs as exempt from federal income tax under section 501(c)(19) of the Internal Revenue Code.
 - §58.1-609.11 of the Code of Virginia provides an exemption for sales or use taxes for entities exempt from federal income taxation under 501(c)(3) or 501(c)(4) of the Internal Revenue Code.
 - VSOs classified as 501(c)(19) perform essentially the same functions as those classified as 501(c)(3) or 501(c)(4).
 - For example, the VFW Congressional Charter establishes “charitable” as one of the purposes of the organization.
 - In 2010, the VFW Department of Virginia and Auxiliaries reported the expenditure of \$1,852,292 and a donation of 339,052 volunteer hours in support of numerous community and youth activities for the citizens of the Commonwealth.
 - Similarly, in 2010, the American Legion reported the expenditure of \$2,561,917 and a donation of 526,338 volunteer hours in support of community and youth service.
 - In the 2010-2011 year, the Paralyzed Veterans of America donated 13,637 hours in support of community service.
 - Other smaller VSOs also contribute some dollars and hours in support of community and youth service.
3. **Discussion:**
 - Given the level of community and youth service performed by VSOs as expressed in dollars and hours, VSOs should be accorded the same sales and use tax exemption as other 501(c)(3) and 501(c)(4) organizations.
 - An exemption would apply to all VSOs, but would primarily benefit VSO Posts/Chapters, etc. that own/operate a permanent facility.
 - An exemption would free sales and use tax dollars spent on fuel, maintenance, cleaning, office supplies, and other items not for resale for additional community and youth service expenditures.
 - The estimate exemptions would total approximately \$100,000 for all VSOs in Virginia.
 - The neighboring states of Maryland, West Virginia, and Tennessee provide sales and use tax exemption for nationally organized and recognized VSOs.
 - Providing sales and use tax exemption for non-resale items to VSOs will continue Virginia’s move toward becoming “the most veteran-friendly state in the nation” and put all VSOs on an equal basis with other 501(C)(3) and 501 (C)(4) groups.
4. **Recommendation:** That the Governor and General Assembly establish a Sales and Use Tax Exemption for non-resale items in the Code of Virginia for nationally organized and recognized VSOs.

VFW POSITION PAPER
VFW 2013-02
In-State Tuition Eligibility for Veterans

1. **Objective:** To ensure that, for current and former military personnel and their dependents, the intent to attend a public institution of higher education in the Commonwealth is sufficient for the purpose of establishing domiciliary intent and determining eligibility for in-state tuition rates.
2. **Background:**
 - A top priority of the JLC in 2010-2011 was waiving of the one-year residency requirement for veterans to qualify in-state tuition rates, provided other steps were taken to establish residency.
 - The initiative had the support of Governor McDonnell and two bills – HB1861 (Anderson/Stolle) and SB824 (Edwards/Barker/McWaters) – passed the 2011 General Assembly unanimously.
3. **Discussion:**
 - In making its proposal to the Governor and General Assembly, it was the intent of the JLC that veterans would be granted in-state tuition eligibility regardless of any other intent on the part of the veterans, such as to remain in the Commonwealth after completing his/her degree.
 - In making its recommendation, the JLC realized that some veterans will find work outside the Commonwealth after graduation from a Virginia college or university, just as do many non-veteran graduates. But the JLC believes that many veterans, if welcomed to the Commonwealth, will choose to stay in Virginia and seek employment here after graduation.
 - The JLC believes that most veterans, because of their service in the military, attend college as “independent students.” Even if they are pursuing an undergraduate degree, they are more closely aligned with graduate students in age and financial situation. Unlike a typical undergraduate student, veterans students do not rely on their parents for financial support. As such, they do not come to Virginia just to attend college. They come to Virginia to get an education. And for the entire time they are in school in Virginia, the Commonwealth is their home.
 - With the advent of Iraq/Afghanistan student veteran organizations on Virginia campuses, the bonds created among student veterans will encourage them to remain in the Commonwealth after graduation, enhancing the Virginia workforce and Virginia communities.
 - Senator McWaters submitted a bill, SB605, in the 2012 General Assembly session. This bill seems to indicate that the 2011 legislation is not being fully implemented as proposed by the JLC.
4. **Recommendation:** That the Governor and General Assembly enact the measures contained in SB605 in the 2013 General Assembly session.

ATTACHMENT 10

Joint Leadership Council of Veterans Service Organizations New Logo

